GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

STARRED QUESTION NO:84
ANSWERED ON:25.11.2002
STORAGE FACILITIES
BASUDEB ACHARIA

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the lack of proper storage facilities, movement and transport bottleneck, outdated food laws and inappropriate taxing system are seriously impeding the growth of the Food Processing Industries (FPIs) in the country;

(b) if so, the reaction of the Government thereon; and

(c) the export performance of the FPIs during the last three years?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI N.T. SHANMUGAM)

(a) to (c): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (c) of Lok Sabha Starred Question No. 84 for answer on 25th November, 2002, regarding storage facilities.

While multiplicity of food laws, problems in the taxation regime and infrastructure bottlenecks are recognized as areas requiring attention, studies also point out that food processing industries as a whole grew at a rate (5.8% per annum) higher than the GDP growth rate (5.7%) in the country during the 9th Plan Period.

To address the problems faced by the industry in multiplicity of laws, regulatory authorities and standards, Government have constituted a Group of Ministers to recommend an Integrated Food Law, independent regulators and comprehensive amendments to existing legislation for facilitating fast pace growth of food processing industries. A number of plan schemes and interventions for infrastructure development including silo storage, cold storage, reefer vans, agri-export zones and food parks have been devised to facilitate food processing industries. The Central Government brought down excise duty on processed fruit and vegetables to zero w.e.f. the Budget year 2001-02.

The export performance of food processing industries during the last three years is indicated below:-

(Rs. Crores)

Item	1999-2000	2000-2001	2001-2002
Processed Fruits & Vegetables	993.64	1345.54	1100.57
Meat & Meat Products	905.08	1637.16	1500.93
Marine Products	5116.60	6443.80	5957.00
Other Processed Foods	1494.49	1798.03	1780.07
Total	8509.81	11224.53	10338.57